

## ELITE CARRIERS DELIVERS!



Elite Carriers, LLC was started in August of 1999 with the assistance of an SBA loan and has grown to become a successful Wisconsin based \$10M per year company that employs nearly 100 people. Elite is an over-the-road carrier that provides trucking services for approximately 40 local companies as well as over 700 national accounts and is owned by Greg and Tammy Guite.

Early on, Greg and Tammy recognized the importance of stable growth, cost-management and net worth. Equipment

is added only when trucking contracts have been negotiated to ensure full utilization. Tractor/trailers orders are split into several delivery dates to reduce the effect on cash flow. They continue to perform cost-benefit analysis of having company drivers versus owner-operators and to make changes when necessary. Until last summer, the company, in an effort to keep overhead costs low, operated out of the Guite's home with loan closings and equipment purchases being handled at the kitchen table. The Guite's have been very successful in managing pool/dedicated runs (guarantee, next day delivery) for companies to ensure a high level of reliability. Greg has also made modifications to the inside walls of the trailers to protect the sides from damage due to fork lifts.

Two large problems facing the trucking industry over the last few years have been high fuel costs and the ability to gain profitable back-haul loads. The Guite's have managed to institute fuel surcharges. Over the years, Greg has established a number of connections with corporate accounts that have greatly increased the number of back hauls for Elite. The company also offers a reduced shop rate and a payment plan to ensure that all trucks operate safely. The company also developed a program to assist owner operators to keep their trucks operating safely.

Safety is always an important aspect for a trucking company. Elite has a fully staffed shop to maintain and service their equipment. To ensure that Elite's owner operators meet DOT and Elite safety standards, they have developed a program that allows the owner operators to have their equipment maintained at Elite's shop at a reduced shop rate. The program also includes a payment plan, which is adjusted based on the needs of the driver. Often owner operators don't have the cash to maintain their equipment properly and this allows them to keep their equipment in good condition without financial hardship or at the very least, minimal financial hardship.

Elite Carriers contributes damaged freight (various types of food products) locally to the Neighbors Place. Elite's tractor and trailers have been used to haul medical and miscellaneous supplies from a Boston collection center to Good News Charity in Wausau. These supplies are eventually shipped to Grenada. They also helped the Boy Scouts by hauling some of their equipment to Washington, DC. Cash contributions are also made to local charities such as Junior Achievement.

Tammy & Greg initially hired four company drivers and three owner operators. Over the last five years they have continued to expand their operations and now have 90 employees working for them including 60 drivers, 23 owner-operators, 6 office staff, 4 mechanics, 1 part-time mechanic and a shop manager. With the help of their bank, M & I Bank in Wausau, the company has expanded its fleet to 64 semi-tractors and 133 trailers and is well-positioned to continue positive sales growth in 2004.

Through the conscientious hard work of the Guites, their employees and drivers, Elite Carriers was awarded the 2001 Great West Safety Award by the American Trucking Association and the Wisconsin Motor Carriers Association in association with insurer Great West Casualty Co. They were also were presented with a Gold Award by Great West Casualty Company as part of the 2002 National Fleet Safety Awards Program.

A company must create net worth if it is to survive over the long-run. Elite Carriers has managed to post profitable years since starting despite an economic slow-down, substantial increases in fuel and insurance expenses, and a shrinking market for drivers. Through these years, profits have been spent on equipment purchases and paying off debt ahead of schedule rather than life-style changes. Elite Carriers has a very low turnover rate due to the high level of attention given to the drivers as they strive to keep everything at a personal level so the drivers feel they are part of the business rather than just being a number.

Tammy and Greg exemplify the word "entrepreneurship" in the way they have planned their strategies for building a successful business while maintaining a sense of loyalty to their employees.

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